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SDP Enhancements –
Industry Perspective

March 10, 2016



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NRC Regulatory Information Conference - 2016

Factors in GTG That Take Time

- Differences in PRA Models
- Definition of Actual Performance Deficiency
- Complicated Events with Multiple Performance Deficiencies
- Disagreement with SRA and PRA Staff on Judgment Inputs
- Reliance on Appendix M
- Team Inspection Focus Post-Inspection Exit (long duration URIs)

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NRC Inspection Exit Meeting



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You may think this is our approach



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NRUG Survey

■ What is reason for major resistance to just accepting a White Finding and moving on?

– If White Finding was off the books with successful 95001 – would that help?

– Being off the books would help but not be a release factor

– WHY? – Cost of 95001 is unknown

– If White Finding would not aggregate as quickly to potential Column 3, would that help?

– Column 3 being Three White Inputs in a Strategic Performance Area helps but is not a release factor

– WHY? – Cost of 95002 is millions, Cost of 95003 escalates from there

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Do You Think This?



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Information to the Public

- Press Releases (more and more rapid)
- Journalist(s) Interest
- SEC Reporting
 - With financial impact
 - *Must be accurate depiction of financial condition of company*
- One isolated WHITE will not show up in 10K (or Q)
 - If it does it typically just mentions "increased oversight"
- Column 3 is mentioned as "further supplemental inspections..."
- Column 4 stated impacts reach the >\$80 Million level of incremental costs

Quote for Management Discussion & Analysis

Speaking of a Column 4 plant (emphasis added)

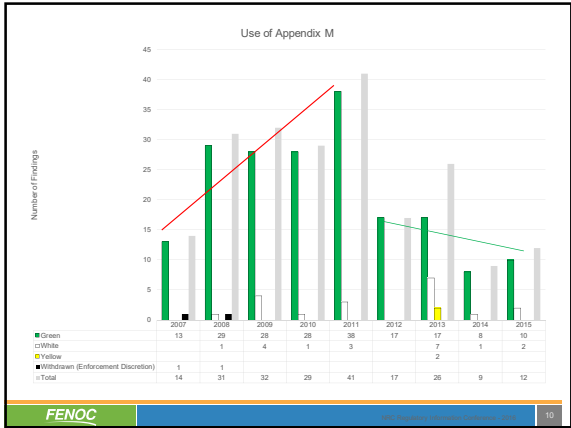
"Excluding remediation and response costs that may result from additional NRC inspection activities [company x] expects to incur incremental costs of approximately \$50 million in [year 1], and approximately \$35 million in [year 2] to prepare for the NRC inspection...."

Does not include modifications, response plans, corrective actions from inspection findings, etc....

Problem Statement

Public perception and over-reaction to White Findings, at times, influences corporate tolerance of the negative attention applied through Wall Street, Investors, Media and other stakeholders.

- A Few Potential Solutions:
 - Better communication of risks in simplified manner
 - Permit NRC to be complimentary when conditions warrant... (right now all we get is that "they are safe" – sort of a shallow digital go-no go....)
 - elaborate more on the safety record, defense in depth, expertise, confidence etc....
 - Control the costs of inspections.... It should not cost an additional \$100M to do inspection and fix an issue
 - Does it all have to be "public" or just what 10CFR9.21 requires?



Commitment Tracking Number	Accession Number Issue Date	Description of Change	Description of Training Required and Completion Time	Comment and Feedback Resolution Assessment Number
N/A	ML101550365 04/04/12 CN 12-005	Provided clarification in the Scope and Applicability sections to articulate the Appendix M entry conditions and that Appendix M is not intended to be used to develop new models or acquire in-depth expert elicitation.		

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1.0 Scope

.....Appendix M should not be used by decision makers when the results of another SDP appendix do not appear to be appropriate (i.e., the significance is too high or too low). In these cases, the appropriate SDP should be used and a deviation from the Reactor Oversight Process (ROP) Action Matrix should be pursued in accordance with Inspection Manual Chapter 0305, "Operating Reactor Assessment Program."

Emphasis added

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- Too much time allowed

Relevance to SDP Streamline?

- Not completely broke....
- Cannot do this in a silo – many factors influence the time to achieve final determination
- Making SDP more transparent (SERP) good
- Making SDP more subjective not good
 - How do we deal with unquantifiable aspects of an event?
- Add incentives for Licensee to expedite through process ... good
 - 95001 – close out of inspection closes White Finding
 - Add success criteria to Regulatory Conference – White with no 95001
- Given good definition of performance deficiency the SPAR and Licensee PRAs are relatively aligned – do we need the SPAR?
 - Spend the time to align on inputs rather than compare results and work backwards
- The process already allows 135 days +. In extreme case.....
 - For a 3 week inspection – Finding in first week.....
 - 5 weeks to exit meeting
 - 6 weeks to inspection report
 - 12 weeks to final determination
 - Total - ~ 6 months

Don't Fight the White,
Fight to get it Right





Questions & Answers Panel
